

## **FISCAL NOTE**

### **SB 2411 - HB 2890**

February 16, 2004

**SUMMARY OF BILL:** Enacts the *Utility District Commissioner Selection Reform Act of 2004*. Provides for each district's board to have 3 commissioners except multi-county districts with more than three members of the effective date of the bill. Outlines selection method for utility district commissioners and specifies that such method does not apply to districts using another selection method on the effective date of the bill. Specifies vacancies on the board to be filled by appointment of the county mayor (or county mayors for a multi-county district) from a list of nominees submitted by the board. Provides for districts using another selection method to adopt the uniform method established in the bill by resolution filed with the Utility Management Review Board. Outlines procedure for removal of commissioners by petition of the customers of a district and for review of such petition by the Utility Management Review Board. Specifies that the Utility Management Review Board may hold hearings on selection methods used by financially distressed districts and to order changes in such methods. Requires utility districts to notify customers annually, either in the newspaper or a mailing, that their complaints can be reviewed by the Utility Management Review Board and of the method used to fill vacancies on the district's board.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Not Significant**

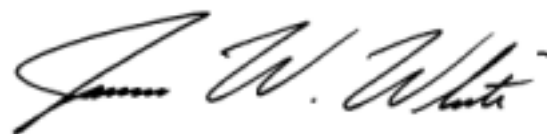
**Increase Local Govt. Expenditures - Not Significant**

Estimate assumes:

- an increase in expenditures to the Utility Management Review Board for administrative costs associated with reviewing board selection methods and holding hearings under the provisions of the bill.
- a not significant increase in local government expenditures for costs associated with providing the required annual notification, since it is assumed most districts will include this information in a mailing or notice they are already publishing.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director